



1099191

For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

Is Section: Regular or Irregular

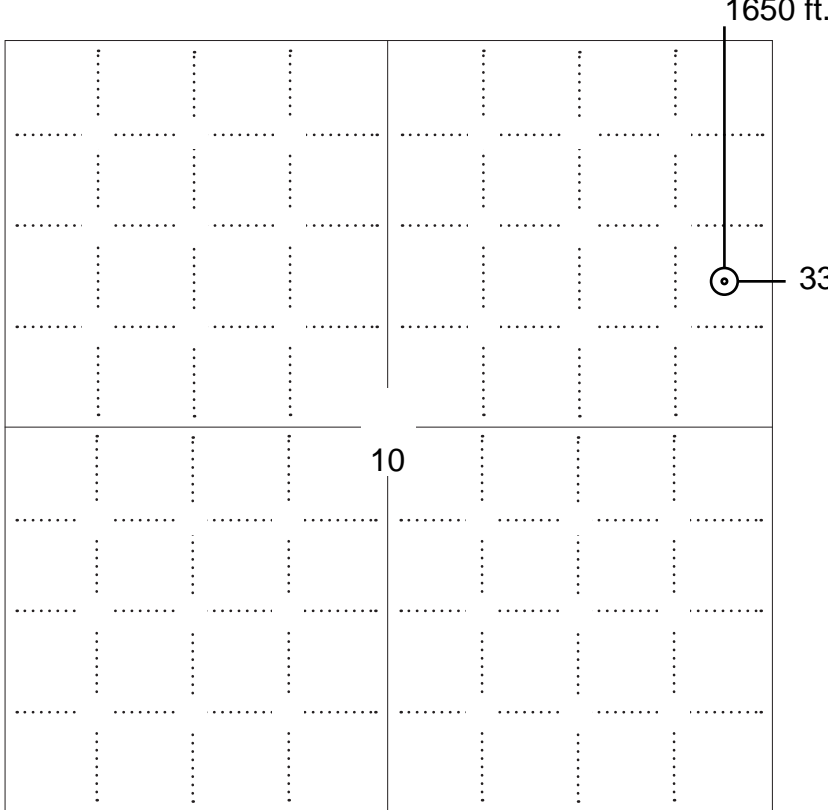
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



1980' FSL

NOTE: In all cases locate the spot of the proposed drilling locaton.

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



KANSAS CORPORATION COMMISSION 1099191
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: _____		License Number: _____	
Operator Address: _____			
Contact Person: _____		Phone Number: _____	
Lease Name & Well No.: _____		Pit Location (QQQQ): _____-_____-_____-_____	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?		_____	
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit: _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date.	
<p>Submitted Electronically</p>			

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes No



CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____ Fax: (_____) _____
Email Address: _____

Well Location: _____
____ - ____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ East West
County: _____
Lease Name: _____ Well #: _____

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

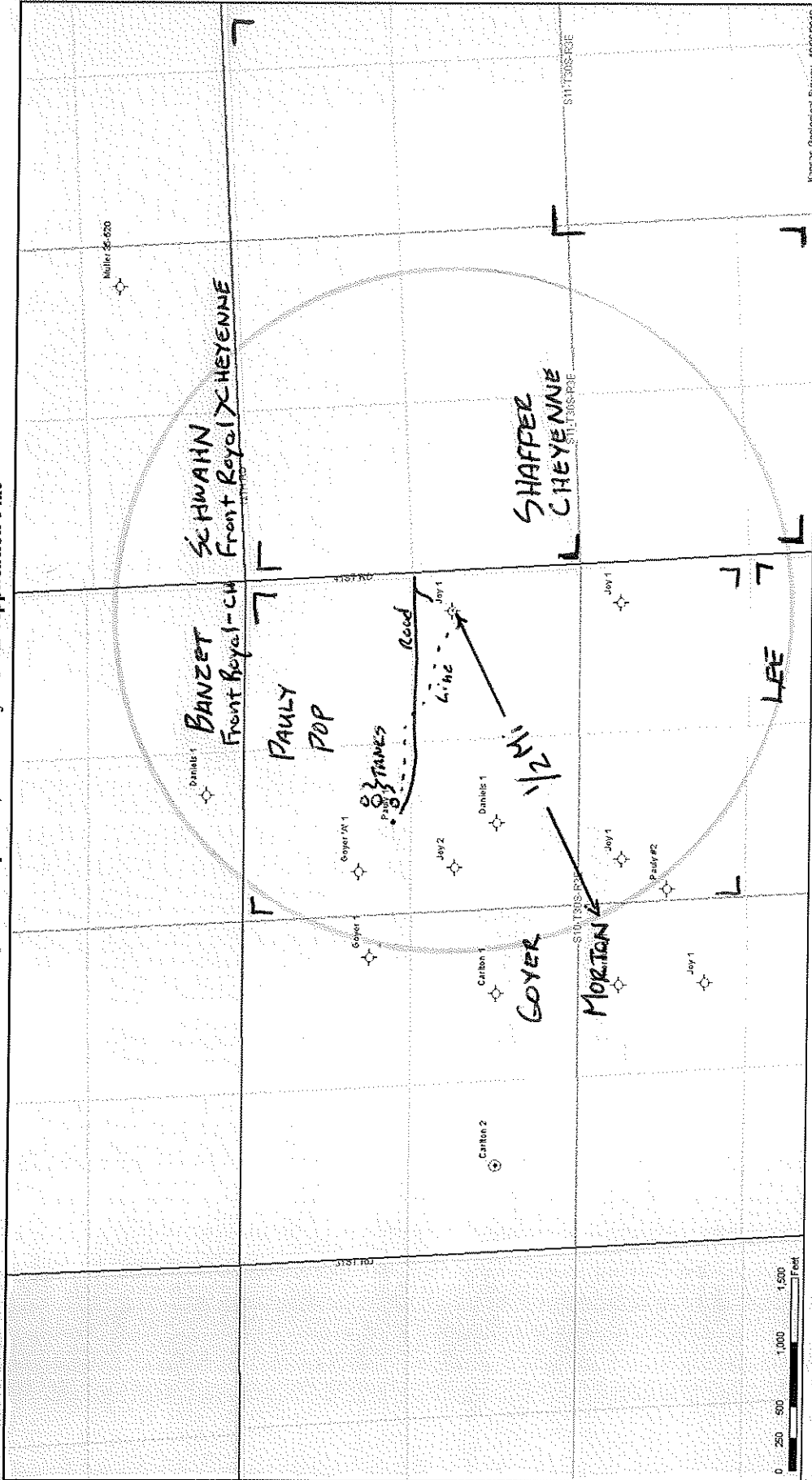
- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I Submitted Electronically

[

Phillips Oil Properties, Inc. Pauly 2 SWD Application Plat



PHILLIPS OIL PROPERTIES, INC.

1822 S. Mead, Wichita, KS 67211, 316.265.7779, 316.265.1942 FAX

October 29, 2012

Kansas Corporation Commission
Conservation Division
Finney State Office Building
130 S. Market, Room 2078
Wichita, KS 67202

Attn: Mr. Rick Hesterman

Re: Pauly 2 OWWO
10-30S-3E
Cowley Co., KS

Mr. Hesterman,

This well is an OWWO and has 177' of 8-5/8" surface casing set. I am requesting an exception to Table I surface casing requirement of 300 feet for this area.

For the U-1, Application for Disposal, I am requesting Design Approval and will be cementing the longstring with a DV tool at 320' to properly cement the surface to protect all usable water zones.

Please process or contact me with any questions or concerns.

Respectfully,

Troy A. Phillips
Geologist

**NOTICE TO OPERATORS FILING INTENT TO DRILL
FOR DISPOSAL OR ENHANCED RECOVERY
INJECTION WELLS, (CLASS II INJECTION WELL)**

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in K.A.R. 82-3-400 et seq of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

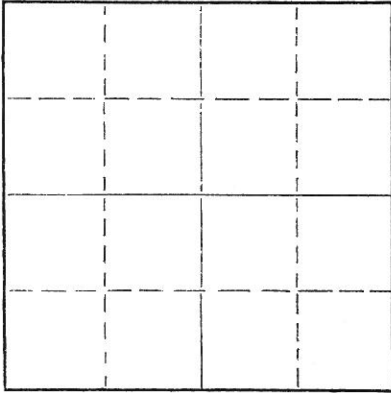
Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.

15-035-00225-0000

WELL PLUGGING RECORD

Give All Information Completely
Make Required Affidavit
Mail or Deliver Report to:
Conservation Division
State Corporation Commission
211 No. Broadway
Wichita, Kansas

NORTH



Locate well correctly on above
Section Plat

Cowley County, Sec. 10 Twp. 30S Rge. 3E (E) (W)
Location as "NE/CNW/SW" or footage from lines NE SE NE
Lease Owner Shawver-Armour, Inc. 817 Central Bldg., Wichita, Kans.
Lease Name Joy Well No. 1
Office Address 817 Central Bldg., Wichita, Kansas
Character of Well (completed as Oil, Gas or Dry Hole) Dry hole
Date well completed 6/17 19 58
Application for plugging filed 6/17 19 58
Application for plugging approved 6/17 19 58
Plugging commenced 6/17 19 58
Plugging completed 6/17 19 58
Reason for abandonment of well or producing formation Dry hole

If a producing well is abandoned, date of last production _____ 19____
Was permission obtained from the Conservation Division or its agents before plugging was commenced? Yes

Name of Conservation Agent who supervised plugging of this well _____
Producing formation _____ Depth to top _____ Bottom _____ Total Depth of Well 3130 Feet
Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

FORMATION	CONTENT	FROM	TO	SIZE	PUT IN	PULLED OUT
Surface	Water	0	177'	8 5/8"	177'	none

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from _____ feet to _____ feet for each plug set.

Heavy mud 3130 to 175'
No. 1 Plug 10' of rock and 15 sks. cement
No. 2 Plug @ 38' 5' of rock and 10 sks. cement

(If additional description is necessary, use BACK of this sheet)

Name of Plugging Contractor Shawver-Armour, Inc.
Address 817 Central Bldg., Wichita, Kansas

STATE OF KANSAS, COUNTY OF SEDGWICK, ss.
JAMES M. ARMOUR (employee of owner) or (owner or operator) of the above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed and that the same are true and correct. So help me God.

(Signature) James M. Armour
JAMES M. ARMOUR
817 Central Bldg., Wichita, Kansas
(Address)

SUBSCRIBED AND SWORN TO before me this 18th day of June, 19 58

Marjorie Hall
MARJORIE HALL
Notary Public.

My commission expires December 29, 1959

RECEIVED
STATE CORPORATION COMMISSION

JUN 26 1958

CONSERVATION DIVISION
Wichita, Kansas

PLUGGING
FILE SEC 10 T 30 R 3E
BOOK PAGE 109 LINE 43

November 1, 2012

Phillips Oil Properties, Inc.
1822 S. Mead
Wichita, KS 67211-4314

RE: Pauly #2, NE-SE-NE Sec.10-T30S-R3E, Cowley County, Kansas

Dear Mr. Phillips:

The Kansas Corporation Commission (KCC) has received your request, dated October 29, 2012, for an exception to the Table 1 minimum surface pipe requirement of 300 feet for the proposed re-entry and washdown of this well. From your request, the KCC understands that Phillips Oil Properties, Inc. is requesting to utilize the existing 177 feet of surface casing in this well bore and Alternate II cementing rules.

After review of this matter by technical staff it was determined that:

1. Bedrock at this location is the Permian Chase Group and is located at or near surface.
2. The depth of the deepest water well of record within one mile of the proposed location is 95 feet.

Based on this information, an exception is granted for the Table 1 Minimum Surface Casing Requirements with the following stipulations:

1. Upon completion of the well, the production or long string casing nearest the formation wall shall be immediately cemented from a depth of at least 350 feet back to the surface. Notify the KCC District #2 office prior to spudding the well and one day before cementing the longstring so they may have the opportunity to witness the procedure.
2. Upon final abandonment of the well plugging will be performed according to KCC rules and KCC District #2 requirements.

Sincerely Yours,



Doug Louis
Director

cc: Steve Bond – Prod. Dept. *SB*
Jeff Klock - Dist #2 *via e-mail*

Conservation Division
Finney State Office Building
130 S. Market, Rm. 2078
Wichita, KS 67202-3802



Phone: 316-337-6200
Fax: 316-337-6211
<http://kcc.ks.gov/>

Mark Sievers, Chairman
Thomas E. Wright, Commissioner
Shari Feist Albrecht, Commissioner

Sam Brownback, Governor

November 09, 2012

Troy Phillips
Phillips Oil Properties Inc.
1822 S MEAD
WICHITA, KS 67211-4314

Re: Drilling Pit Application
Pauly 2
NE/4 Sec.10-30S-03E
Cowley County, Kansas

Dear Troy Phillips:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the District Office at (316) 630-4000.